ENDURING RESOURCES, LLC

425 Seventeenth Street, Suite 1500 Denver, Colorado 80202 Telephone: 303-573-1222

Facsimile: 303-573-0461

October 12, 2005

State of Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 P.O. Box 145801 Salt lake City, Utah 84114-5801

Attention:

Diana Whitney

RE:

Bonanza #12-30-9-25

Application for Permit to Drill

Dear Ms. Whitney

Attached are two original applications to drill for the above-referenced proposed well. This information has also been submitted to the State of Utah, Institutional Trust Lands Administration.

Enduring Resources, LLC respectfully requests that this information, and future information, be hold confidential.

Should you have any questions concerning this matter, please do not hesitate to call (303-350-5114)

Very truly yours

ENDURING RESOURCES, LLC

Alvin R. (Al) Arlian

Landman – Regulatory Specialist

ara/

Attachments as stated:

CC:

State of Utah – School and Institutional Trust Lands Administration w/ attach.

675 East 500 South, Suite 500 Salt Lake City, Utah 84102

_ ...**,**, _ .

Attention:

Ed Bonner

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

F	OF	R٨	13

AMENDED REPORT	
(highlight changes)	

		APPLICAT	ION FOR	PERMIT TO	DORILL		MINERAL LEASE NO: L-49768	6. SURFACE: State
1A. TYPE OF	WORK:	DRILL 🗾	REENTER [DEEPEN			F INDIAN, ALLOTTEE OR	TRIBE NAME:
B. TYPE OF	WELL: OIL	GAS 🗹 (OTHER	SIN	GLE ZONE 🚺 MULTIPLE ZON	IE [UNIT OF CA AGREEMENT	,
2. NAME OF C							WELL NAME and NUMBER	
	Resources,	LLC			PHONE NUMBER:		Bonanza 12-30-9 FIELD AND POOL, OR W	
475 17th	St., Ste 150	O111		ATE CO ZIP 80	202 (303) 350-5114		Indesignated V	
	1 OP OF THE		65-	7972X	40.005069	11.	QTR/QTR, SECTION, TO MERIDIAN:	WNSHIP, RANGE,
	SED PRODUCING Z	SL - 875' FWL	442	97504	40.005069	N	WSW 30 9S	25E S
				·				
	miles to Vern	RECTION FROM NEAF	REST TOWN OR PC	OST OFFICE:		1	COUNTY: Jintah	13. STATE: UTAH
		OPERTY OR LEASE LI	NE (FEET)	16. NUMBER O	F ACRES IN LEASE:		ER OF ACRES ASSIGNED	TO THIS WELL:
875'					640			40
APPLIED	FOR) ON THIS LEAS	LL (DRILLING, COMPL SE (FEET)	ETED, OR	19. PROPOSED		1	DESCRIPTION:	
1,200' +		HER DF, RT, GR, ETC.	١٠	22 APPROXIM	6,255		0008031 ATED DURATION:	
	GR graded	12(C), ((1), (3), (2) ().	r-	12/15/20		20 da		
						<u> </u>	-	
24.					ND CEMENTING PROGRAM			
SIZE OF HOL	E CASING SIZE	E, GRADE, AND WEIG	HT PER FOOT	SETTING DEPTH			D, AND SLURRY WEIGHT	
	- -	line pipe	24#		Ready Mix	3 yar		
11"	8-5/8"	J-55	24#	2,000	Premium Lead	136 s		
7 7/0"	4 4/0"	N. 90	44.64	C 055	Premium Tail	138 s		
7-7/8"	4-1/2"	N-80	11.6#	6,255		79 s		
					Premium Tail	770 s	5XS 1.29	9 14.1
							 	
25.				ATTA	CHMENTS			
VERIFY THE	FOLLOWING ARE A	TTACHED IN ACCOR	DANCE WITH THE	UTAH OIL AND GAS C	ONSERVATION GENERAL RULES:			
✓ WELL	L PLAT OR MAP PRE	EPARED BY LICENSEI	O SURVEYOR OR E	ENGINEER	COMPLETE DRILLING PLAN			
✓ EVIDI	ENCE OF DIVISION	OF WATER RIGHTS A	APPROVAL FOR US	SE OF WATER	FORM 5, IF OPERATOR IS PE	ERSON OR C	OMPANY OTHER THAN T	HE LEASE OWNER
		D (A) A !!						
NAME (PLEA	SE PRINT) AIVIN	R. (Al) Arlian			_{тпье} Landman - Re	gulatory	Specialist	
SIGNATURE		Male	M		DATE 10/12/2005			
ти Масе ф	ate N L A		- <u> </u>					
		-						
ADI 40 P 1000		43-047-	3721212				חבסבוויר	- D
API NUMBER	ASSIGNED:	15 -11-5	, , <u>, , , , , , , , , , , , , , , , , </u>		APPROVAL:		RECEIVE	בט
	i						OCT 1 / 20	05

Enduring Resources, LLC Bonanza #12-30-9-25 NWSW Sec. 30 T9S-R25E Uintah County, Utah Lease # ML45560

ONSHORE ORDER 1 - DRILLING PLAN

1. Estimated Tops of Geological Markers:

Depth (K.B.)
Surface
592'
2,762'
4,062'
6,219'

2. Estimated Depths of Anticipated Water, Oil, Gas or Other Minerals:

Substance	Formation	Depth K.B.
	VD Histo Floretion, 5 646'	
	KB-Uinta Elevation: 5,616'	
Oil / Gas	Green River	592'
Oil /Gas	Wasatch	2,762'
Oil /Gas	Mesaverde	4,062'
	Estimated TD	6,255'

An 11" hole will be drilled to approximately 2000 feet. The depth will be determined by the depth that the Birds Nest zone is encountered. The hole will be drilled 400 feet beyond the top of the Birds Nest zone and surface casing will be set.

3. Pressure Control Equipment: (3000 psi schematic attached)

- A. Type: Eleven (11) inch double gate hydraulic BOP with eleven (11) inch annular preventer on 3,000 psi casinghead, with 3,000 psi choke manifold equipped per the attached diagram. BOPE as specified in *Onshore Oil & Gas Order Number 2.* A PVT, stroke counter and flow sensor will be installed to check for flow and monitor pit volume.
- B. Pressure Rating: 3,000 psi BOPE
- C. Kelly will be equipped with upper and lower Kelly valves.



D. Testing Procedure: Annular Preventer

At a minimum, the annular preventer will be pressure tested to 50% of the stack rated working pressure for a period of ten (10) minutes or until provisions of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

- 1. When the annular preventer is initially installed;
- 2. Whenever any seal subject to test pressure is broken;
- 3. Following related repairs; and
- 4. At thirty (30) day intervals.

In addition to the above, the annular preventer will be functionally operated at least weekly.

Blow-Out Preventer

At a minimum, the BOP, choke manifold, and related equipment will be pressure tested to the approved working pressure of the BOP stack (if isolated from the surface casing by a test plug) or to 70% of the internal yield strength of the surface casing (if the BOP is not isolated from the casing by a test plug). Pressure will be maintained for a period of at least ten (10) minutes or until the requirements of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

- 1. When the BOP is initially installed;
- 2. Whenever any seal subject to test pressure is broken;
- 3. Following related repairs; and
- 4. At thirty (30) day intervals.

In addition to the above, the pipe and blind rams will be activated each trip, but not more than once each day. All BOP drills and tests will be recorded in the IADC driller's log.

E. Miscellaneous Information:

The blowout preventer and related pressure control equipment will be installed, tested and maintained in compliance with the specifications in and requirements of *Onshore Oil & Gas Order Number 2*.

Directional surveys will be dropped every 2000 feet. Maximum allowable angle is 5 degrees.

4. **Proposed Casing & Cementing Program:**

A. Casing Program: All New

Hole Size	Casing Size	Wt./Ft.	Grade	Joint	Depth Set (md)
20"	14" O.D.		(line pipe)		40'
11"	8-5/8"	24#	J-55	ST&C	0 – 2,000' est
7-7/8"	4-1/2"	11.6#	N-80	LT&C	0 – 6,255'

The surface casing will have guide shoe, 1 joint of casing (or insert float). Centralize the shoe joint with bow spring centralizers in the middle and top of the joint and the next 16 joints with one bow spring centralizer on every other collar (8 centralizers total). Thread lock guide shoe.

Casing string(s) will be pressure tested to 0.22 psi/foot of casing string length or 1500 psi, whichever is greater (not to exceed 70% of the internal yield strength of the casing), after cementing and prior to drilling out from under the casing shoe.

B. Casing Design Parameters:

Depth (md)	Casing	Collapse(psi)/SF	Burst (psi)/SF	Tension(mlbs)/SF
40'	14"			
2,000'	8-5/8", 24#/ft, J55, STC	1370/1.53(a)	2950/3.30(b)	244/5.85(c)
6,255'	4-1/2", 11.6#/ft, N- 80, LTC	6350/1.95 (d)	7780/2.60 (e)	223/3.58 (f)

- (a.) based on full evacuation with 8.6 ppg fluid on annulus
- (b.) based on 8.6 ppg gradient with no fluid on annulus
- (c.) based on casing string weight in 8.6 ppg mud
- (d.) based on full evacuation with 10.0 ppg fluid on annulus
- (e.) based on 9.2 ppg gradient, gas to surface, with no fluid on annulus, no gas gradient
- (f.) based on casing string weight in 9.2 ppg mud

PROPOSED CEMENTING PROGRAM

Surface Casing (if well will circulate) - Cemented to surface

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
8-5/8"	Lead	1500	Premium cement, + 16% gel, + 0.25 pps flocele	136	25%	11.1	3.50
8-5/8"	Tail	500	Premium cement +2% CaC ₂ +0.25 pps flocele	138	25%	15.8	1.15



A cement top job is required if cement fallback is greater than 10' below ground level. Top job cement will be premium cement w/ 3% CaCl₂, +0.25 pps flocele (Weight: 15.8 ppg. yield 1.15 ft³/sx). Volume as required

Surface Casing (if well will not circulate)

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
8-5/8"	Lead	500	Premium cement + 2% CaCl ₂ +.25 pps celloflake	138	25	15.8	1.15
8-5/8"	Top job	As req.	Premium cement + 3% CaCl ₂ , + 0.25 pps celloflake	As Req.		15.8	1.15

Production Casing and Liner-

Cemented TD to 300' above base of surface casing

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft³/sx)
4-1/2"	Lead	1066	Class "G", + 5% NaCl, + 12% Gel, +0.25 pps celloflake, + 0.25% antifoam, +0.25% fluid loss	79	25	11.0	3.91
4-1/2"	Tail	3489	50/50 POZ Class G + 2% gel, +1% CaCl ₂ + 0.2% dispersant, + 0.2% fluid loss, + 0.1% antifoam	770	25	14.1	1.29

Cement volumes for the 4-1/2" Production Casing will be calculated to provide a top of cement to 300' above base of surface casing. Cement volumes are approximate and were calculated under the assumption that a gauge hole will be achieved. Actual cement volumes may vary due to variations in the actual hole size and will be determined by running a caliper log on the drilled hole. Actual cement types may vary due to hole conditions and cement contractor used.

All waiting on cement (WOC) times will be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

5. **Drilling Fluids (mud) Program:**

	Interval	Mud Weight	Fluid Loss	Viscosity	Mud Type
	0' – 2000'		No cntrl		Air/mist
Ī	2000'-3000'	8.4-8.6	No cntrl	28-36	Water
Ì	3000'-6255'	8.8-10.2	8 - 10 mi	32-42	Water/Gel

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blowout will be available at the well site during drilling operations.

6. **Evaluation Program:**

Tests:

No tests are currently planned.

Coring:

No cores are currently planned.

Samples:

No sampling is currently planned.

Logging

 Dual Induction – SFL /Gamma Ray/SP/ Caliper/TDLT/CNL/ML TD to Base of Surface Casing

• Cement Bond Log / Gamma Ray: TD to Base of Surface Casing or Top of cement if below bottom of Surface Casing

Stimulation:

A stimulation or frac treatment will be designed for completion of this well based on openhole log analysis. The drill site, as approved, will be sufficient size to accommodate all completion activities.

7. **Abnormal Conditions:**

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered or known to exist from previous wells drilled to similar depths in the general area.

Maximum anticipated bottom hole pressure equals approximately 3,253 psi (calculated at 0.52psi/foot of hole) and maximum anticipated surface pressure equals approximately 1,877, psi (anticipated bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot of hole).

8. **Anticipated Starting Dates:**

- Anticipated Commencement Date Within one year of APD issue.
- Drilling Days Approximately 10 days
- Completion Days- Approximately 10 days
- Anticipate location construction within 30 days of permit issue.

Variances: 9.

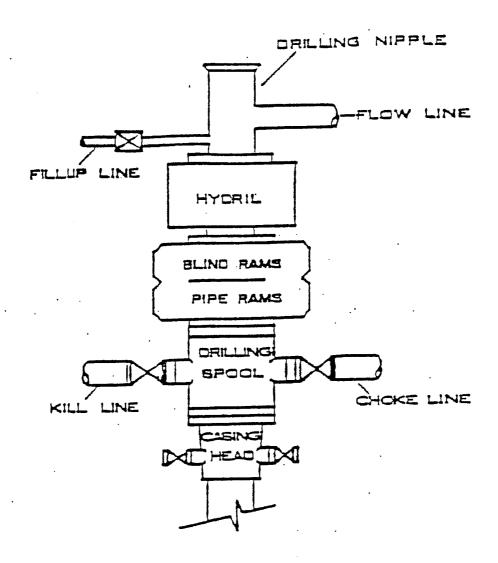
None anticipated

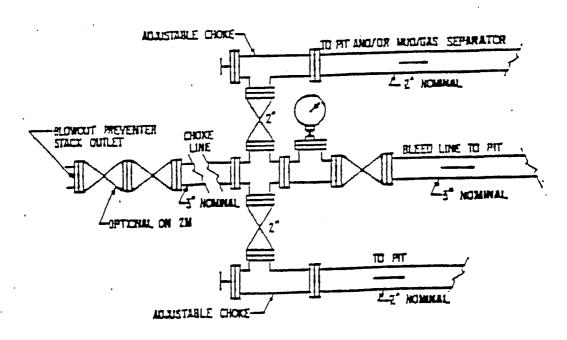


10. Other:

A Cultural Resource Inventory and Paleontology reconnaissance shall be conducted for the well location, access route and pipeline. The reports shall be submitted to the Division of Oil, Gas and Mining and the School and Institutional Trust lands Administration upon their receipt.

EOP STACK





Enduring Resources, LLC Bonanza #12-30-9-25 NWSW Sec. 30 T9S-R25E Uintah County, Utah Lease # ML-45560

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Directions to the proposed location are as follows:

PROCEED IN AN EASTERLY, THEN SOUTHERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 36.5 MILES ON STATE HIGHWAY 45 TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 1.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.25 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 42.35 MILES IN A SOUTHEASTERLY DIRECTION.

2. Planned Access Roads:

The proposed access road will be approximately 1,320 feet of new construction (ON-LEASE). PLEASE NOTE PART OF THIS PROPOSED ROAD IS ON SITLA LANDS AND PART IS ON FEE LANDS OWNED BY AMERICAN GILSONITE. No new access road construction or surface disturbance will be needed OFF-LEASE.

- a. Access to the proposed new access road will by using existing roads. The first 1.4 miles of road after leaving State Highway #45 is bladed, ditched and crowned, no upgrading is anticipated.
- b. The .30 mile of road before reaching the takeoff point of the new access road to be constructed, will need to be upgraded (bladed, ditched and crowned). Please refer to Topo Map "B" for the takeoff point for the new ON-LEASE road construction.

The proposed access road will be utilized to transport personnel, equipment and supplies to and from the proposed well site during drilling, completion and production operations. The road will be utilized year round.

That part of the new access road to be constructed will be crowned 2% to 3%, ditched and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet right-of-way. Maximum grade of road is 5% or less. Graveling or capping the roadbed will be performed as necessary to provided a well constructed, safe road. No

fence crossings, culverts, turnouts, cattle guards or major cuts and fills are required. Prior to construction or upgrading, the proposed road shall be cleared of any snow and allowed to dry completely.

Surface disturbance and vehicular traffic will be limited to the proposed location and proposed access route. Any additional area needed will be approved in advance. All construction shall be in conformance with the standards outlined in the BLM and Forest Service publication: <u>Surface Operating Standards for Oil and Gas Exploration</u> and Development. 1989.

The road surface and shoulders will be kept in a safe usable condition and will be maintained in accordance with the original construction standards. All drainage ditches will be kept clear and free flowing and will be maintained according to original construction standards. The access road surface will be kept free of trash during operations. All traffic will be confined to the approved disturbed surface. Road drainage crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the road bed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided. When snow is removed from the road during the winter months, the snow shall be pushed outside of the borrow ditches and the turnouts kept clear so that snowmelt will be channeled away from the road.

3. <u>Location of Existing Wells within a One-Mile radius (See "Topo" Map "C" attached):</u>

The following wells are wells located within a one (1) mile radius of the proposed location.

a. None: Water Wells:b. None: Injection Wells:

c. None: Producing Wells:

d. None: Drilling Wells: e. None: Shut-in Wells:

f. None: Temporarily Abandoned Wells:

g. None: Disposal Wells: h. None: Abandoned Wells:

i. None: Dry Holes:

j. None: Observation Wells:

4. <u>Location of Existing and/or Proposed Facilities:</u>

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e. production tanks, produced water tanks and/or heater treater). These dikes

Bonanza #12-30-9-25

will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank and be independent of the back cut.

All permanent (on site for six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective. earth tone color to match one of the standard environmental colors, as determined by the rocky Mountain Five State Inter-Agency Committee

All facilities will be painted within 6 months of installation. The color shall be Carlsbad Canyon (2.5Y 6/2). Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Gas Gathering Pipeline:

a.	ON-LEASE	1,758'	State of Utah (SITLA), and
			American Gilsonite (Fee)
b.	OFF-LEASE	None	n/a

If the well is capable of economic production, a surface gas gathering line and related equipment shall be installed. The surface gas gathering line shall be in use year round. A total of approximately 1,758 feet of surface gas gathering pipeline shall be laid on the surface to minimize surface disturbance:

- ON-LEASE approximately 1,758 feet, a.
- 4 inch or less diameter steel, surface, unpainted, welded gas gathering b. line is proposed.

The proposed pipeline will begin at the well site; continue along the lease road northeasterly to the existing 1,758 feet to a tie-in point into an existing Canyon Gas pipeline. The proposed gathering line will be placed above ground adjacent to the proposed access route. The line will be welded together and pulled from the well site location and tie-in point when practical; however, it may be necessary to utilize the access road for welding of the line. The line will then be boomed off to the side of the road. The gas meter run will be located within 500 feet of the wellhead. The meter run will be housed. The gas gathering line will be buried or anchored down from the wellhead to the meter.

Upon plugging and abandonment, the gas gathering line will be removed and the disturbed area will be re-contoured and restored as near as practical to the original condition. If necessary, re-seeding operations will be performed after completion of other reclamation operations.

A surface and pipeline agreement is pending with American Gilsonite.

5. **Location and Type of Water Supply:**

Water will be obtained from the White River by Tu and Frum, Inc. Water User Claim #49-2185, Application #T75517, or by Target Trucking Water User Claim #43-2195, or by Dalbo Inc. Water User Claim #43-8496

Water will be hauled to the location over the roads marked on "Topo" Maps "A" and "B."

No water well is to be drilled on this lease.

6 **Source of Construction Materials:**

Surface and subsoil materials in the immediate area will be utilized fro location and access road construction.

Any gravel will be obtained from a commercial source; however, gravel sized rock debris associated with location and access road construction may be used as access road surfacing material.

7. **Methods of Handling Waste Materials:**

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit well be constructed on the location and will not be located within natural drainage, where a flood hazard exits or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, brake or allow discharge of liquids.

The reserve pit will be lined with 1/4 felt and a minimum of 16 mm plastic with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the will be disposed of in the pit.

A chemical portable toilet will be furnished with the drilling rig. The toilet will be replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Vernal Wastewater Treatment Facility in accordance with state and county regulations.

Garbage, trash and other waste materials will be collected in a portable, selfcontained, fully enclosed trash cage during operations. No trash well will be burned on location.



All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported or disposed of in association with the drilling, completion or testing of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported or disposed of in association with the drilling, completion or testing of this well.

Produced oil will be stored in an oil tank and then hauled by truck to a crude purchaser facility. Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to an approved disposal site.

8 Ancillary Facilities:

During drilling operations, approximately 20 days, the site will be a manned camp. Three or four additional trailers will be on location to serve as the crews' housing and eating facilities. These will be located on the perimeter of the pad site within the topsoil stockpiles. Refer to Sheet 4.

9. Well Site Layout: (Refer to Sheets #2, #3, and #4)

The attached Location Layout Diagrams described drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s) and surface material stockpiles(s).

Please see the attached diagram for rig orientation and access roads.

The top soil will be windrowed rather than piled. It will be reseeded and track walker at the time the location is constructed. Seeding will be with the determined during the onsite. (Refer to "Seed Mixture for Windrowed Top Soil Will included:" following herein.

The top soil removed from the pit area will be store separately and will not be reseeded until the pit is reclaimed.

All pits shall be fence to the following minimum standards:

- a. 39 inch net wire shall be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- b. The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches over the new wire. Total height of the fence shall be at least 42 inches.



- c. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- d. Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two fence posts shall be no greater than 16 feet.
- e. All wire shall be stretched by, using a stretching device, before it is attached to corner posts.
- f. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.
- g. Location size may change prior to drilling the well due to the current rig availability. If the proposed location is not large enough to accommodate the drilling, the location will be re-surveyed and a Form 9 will be submitted.

10. Plans for Surface Reclamation:

Producing Location:

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, materials, trash and debris not required for production.
- b. Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 40CFR 3162.7.
- c. Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.
- d. The reserve pit and that portion of the location not needed for production facilities/operations will be re-contoured to the approximated natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.
- e. To prevent surface water(s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface 3 feet above surrounding round surface to allow the reclaimed pit area to drain effectively.
- f. Upon completion of back filling, leveling and re-contouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

- a. Abandoned well sites, roads and other disturbed areas will be restored as nearly as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions and re-establishment of vegetation as specified.
- b. All disturbed surfaces will be re-contoured to the approximated natural contours with reclamation of the well pad and access road to be performed as soon as



practical after final abandonment. If necessary, re-seeding operations will be performed after completion of other reclamation operations.

Seed Mixture for Windrowed Top Soil Will Included:

The appropriate surface management agency will be contacted for the required seed mixture and dates.

11. Surface Ownership: Location, Access and Pipeline Route:

Wellsite: State of Utah School and Institutional Trust Lands Administration

Access: State of Utah School and Institutional Trust Lands Administration, and

American Gilsonite

Pipeline: State of Utah School and Institutional Trust Lands Administration, and

American Gilsonite

12. Other Information

Wildlife Stipulations:

Wildlife stipulations and possible activity restrictions will be detailed in the conditions of approval" received with an approved Permit to Drill. Operator will comply with these wildlife stipulations, if any.

Archeology:

A Cultural Resource Inventory Report is being conducted for the well location, access route and pipeline. The report shall be submitted to the Division of Oil, Gas and Mining and the School and Institutional Trust Lands Administration upon its receipt.

Paleontology:

A Paleontology Reconnaissance Report is being conducted for the well location, access route and pipeline. The report shall be submitted to the Division of Oil, gas and Mining and the School and Institutional Trust Lands Administration upon its receipt.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the Antiquities Act of June 8, 1906) are discovered, all operations which would affect such sites will be suspended and the discovery reported promptly to the surface management agency.

All lease operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, and the approved Plan of Operations and all applicable Notice to Lessees. The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

ENDURING RESOURCES, LLC BONANZA #12-30-9-25 SECTION 30, T9S, R25E, S.L.B.&M.

PROCEED IN AN EASTERLY, THEN SOUTHERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 36.5 MILES ON STATE HIGHWAY 45 TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 1.4 MILES TO JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST: FOLLOW **ROAD FLAGS** IN Α SOUTHWESTERLY DIRECTION APPROXIMATELY 0.25 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 42.35 MILES.

ENDURING RESOURCES, LLC

BONANZA #12-30-9-25

LOCATED IN UINTAH COUNTY, UTAH SECTION 30, T9S, R25E, S.L.B.&M.

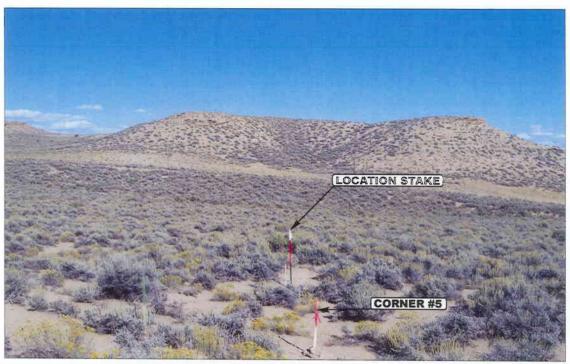


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY

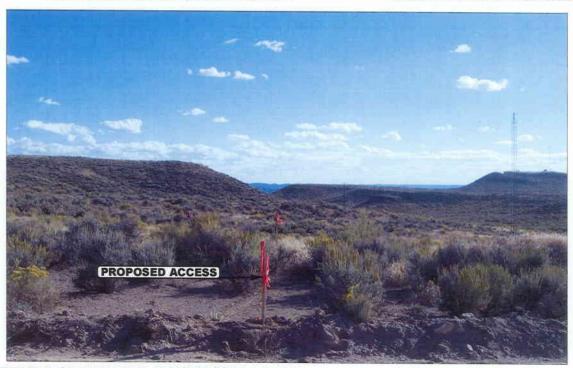


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



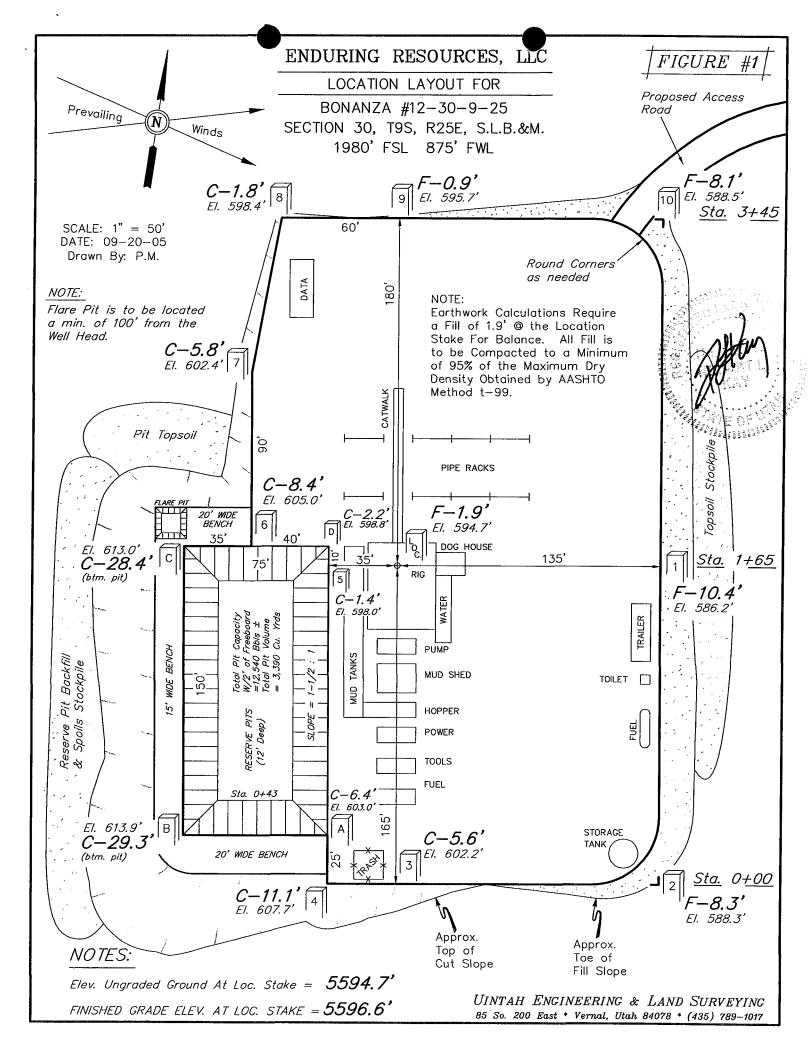
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

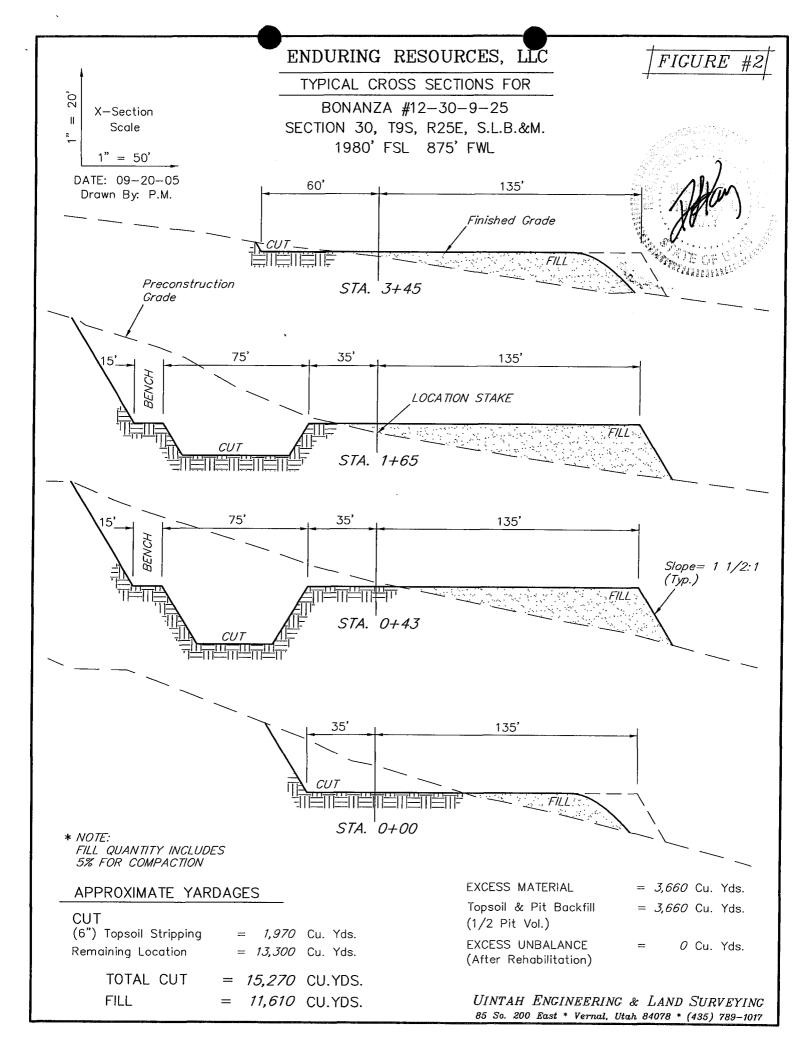
LOCATION PHOTOS

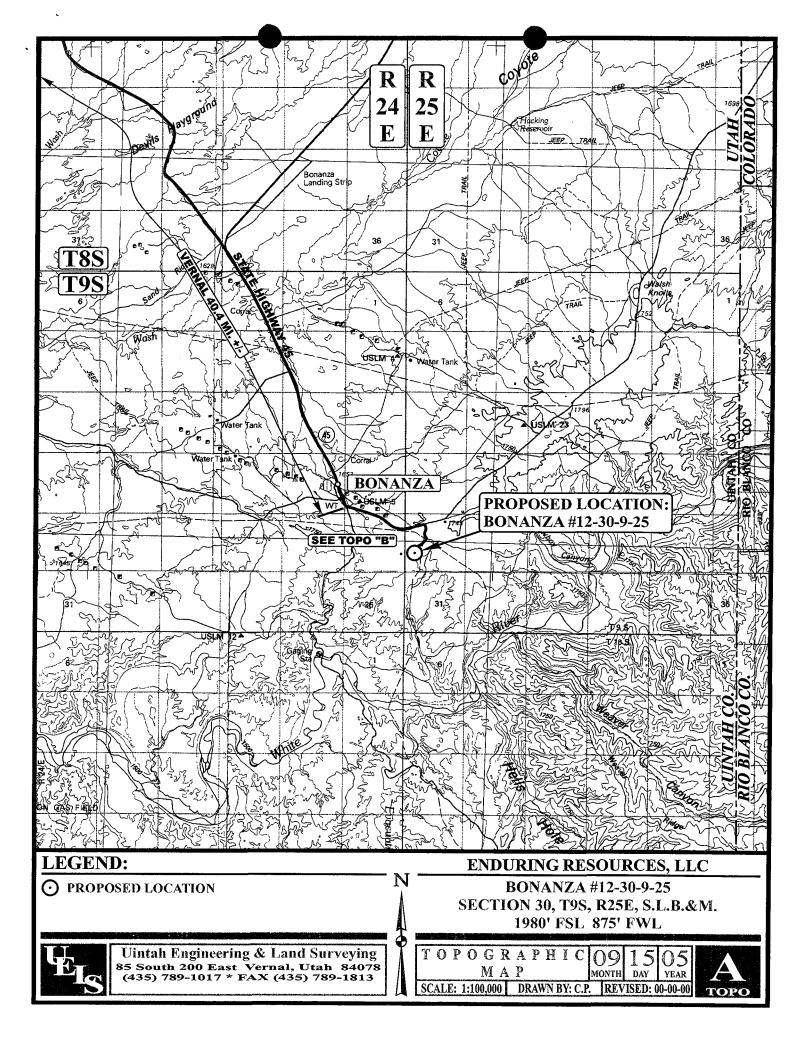
09 15 05 MONTH DAY YEAR

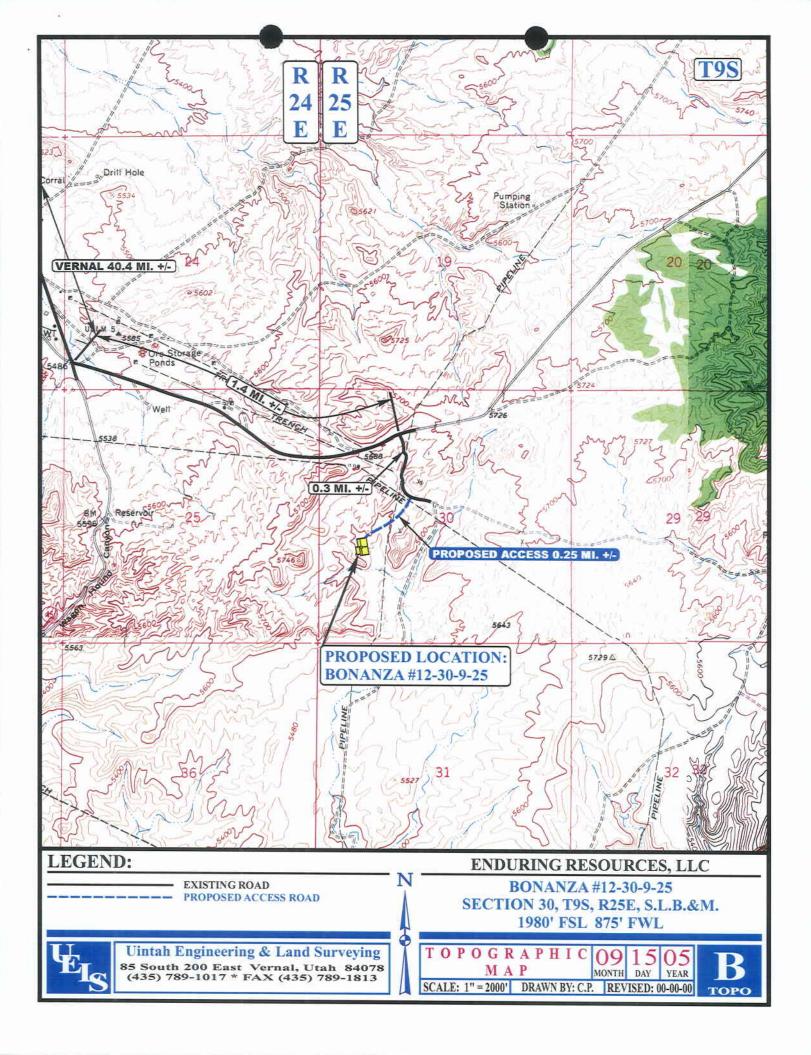
РНОТО

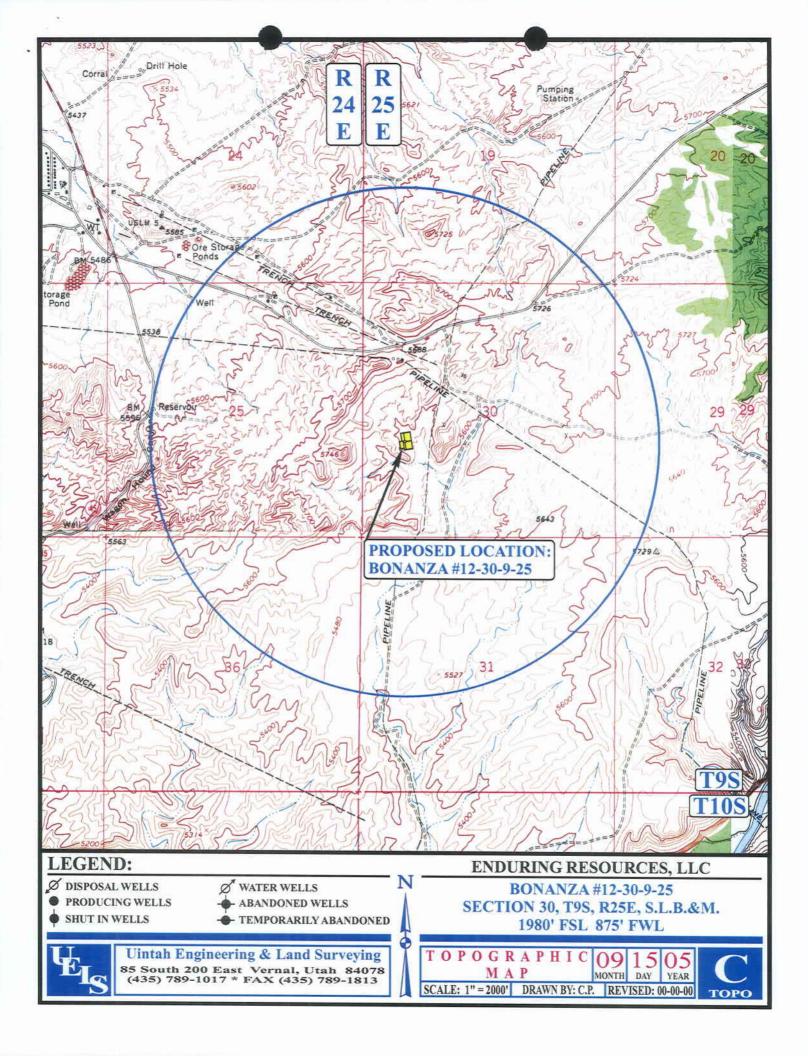
TAKEN BY: N.H. | DRAWN BY: C.P. | REVISED: 00-00-00

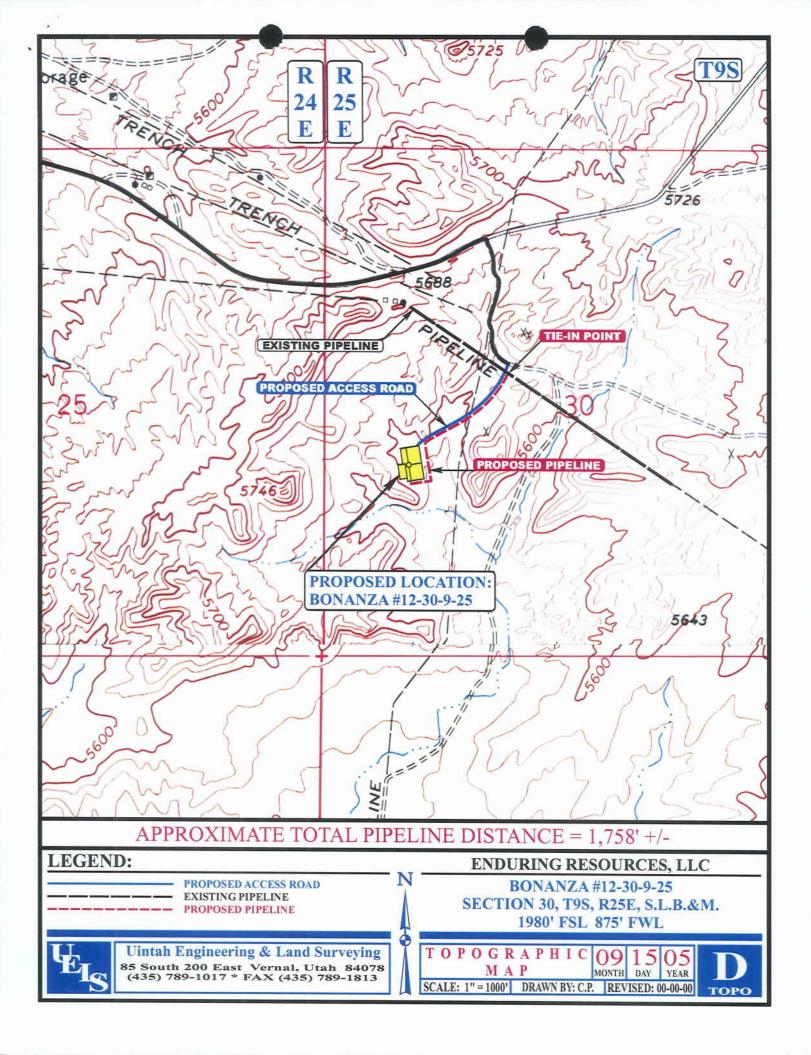




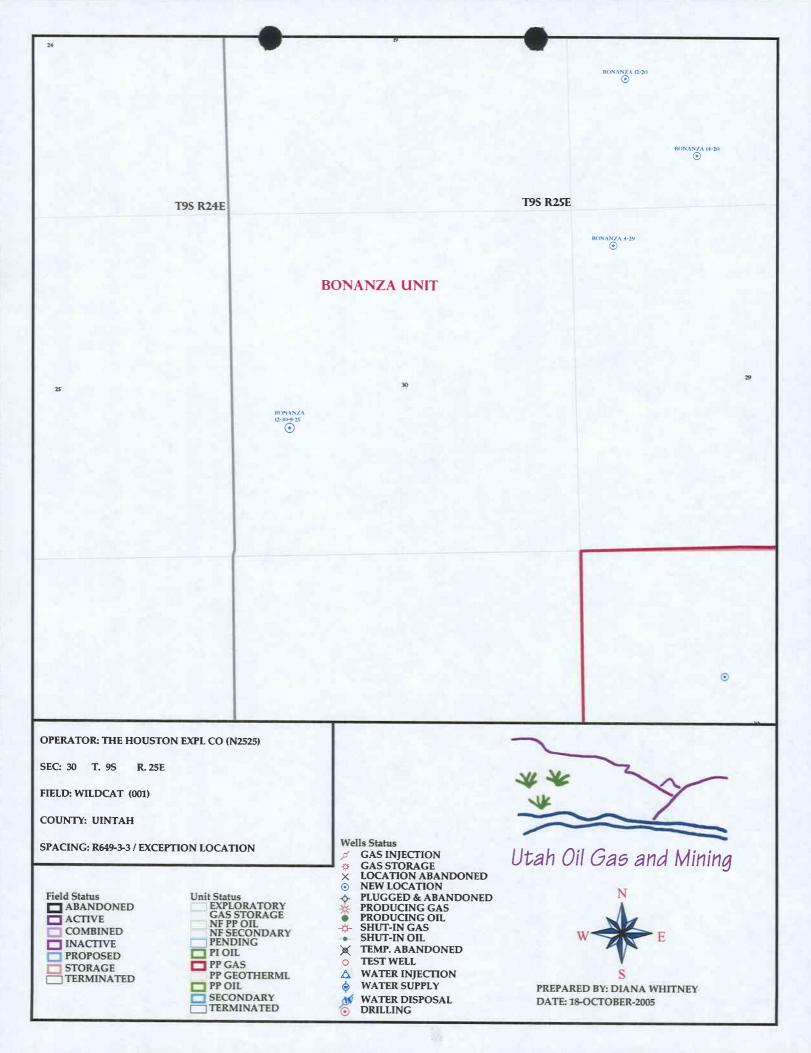








APD RECEIVED: 10/17/2005	API NO. ASSIGN	ED: 43-047-372	66
WELL NAME: BONANZA 12-30-9-25 OPERATOR: ENDURING RESOURCES, LLC (N2750) CONTACT: ALVIN ARLIAN PROPOSED LOCATION: NWSW 30 090S 250E SURFACE: 1980 FSL 0875 FWL BOTTOM: 1980 FSL 0875 FWL UINTAH WILDCAT (1)	PHONE NUMBER: 3 INSPECT LOCATN Tech Review Engineering		/ Date U/21/05
LEASE TYPE: 3 - State	Geology Surface		
LEASE NUMBER: ML-49768 SURFACE OWNER: 3 - State PROPOSED FORMATION: MVRD COALBED METHANE WELL? NO		0507	. •
Plat Plat Bond: Fed[] Ind[] Sta[] Fee[] (No. Plan 2031) Potash (Y/N) No. 190-5 (B) or 190-3 or 190-13 Water Permit (No. 43-2195) RDCC Review (Y/N) (Date:	Drilling Uni Board Cause Eff Date: Siting:	General From Qtr/Qtr & 920' Exception it E No:	
STIPULATIONS: 1-Spacin Stip 2-Statement 3-State Gy Cont	09-05) OF Basis		



DIVISION OF OIL, GAS AND MINING APPLICATION FOR PERMIT TO DRILL STATEMENT OF BASIS

OPERATOR:	ENDURING RESOURCES, LLC.
WELL NAME & NUMBER:	Bonanza 12-30-9-25
API NUMBER:	43-047-37266
LOCATION: 1/4,1/4 NW/SW se	ec: 30 TWP: 09S RNG: 25E 1980' FSL 875 FWL
Geology/Ground Water:	
	surface casing at this location. The depth to the base of the moderately
	nated to be at a depth of 5,600'. This is near the proposed TD and should
no system well within a 10 000 feat	casing and cement. A search of Division of Water Rights records shows
Linta Formation The Linta Formation	radius of the center of Section 30. The surface formation at this site is the
	ation is made up of lenticular sandstones interbedded with shales and is
feet below the surface. The Green 1	n aquifer. The Green river Formation should be found approximately 600 River Formation may contain useable aquifers but they should be
adequately protected by the propose	
adequatery protected by the propose	and cementing program.
Reviewer: Brad	1 Hill Date: 11-23-05
Surface:	
	rface was performed on 11/09/2005. This site is on State surface, with State
	t site for a location in the immediate area.
	onner with SITLA were invited to this investigation on 11/01/2005. Both were
	erns regarding the construction of this location or drilling and operation of this
	es in the area. Mr. Williams presented Mr. Hammond, representing Enduring
	WR recommended seed mix to be used when the reserve pit and location are
reclaimed.	
	ccur in the general area. No conflicts are expected to occur.
No significant stability problems are	e anticipated with the drilling and operation of a well on this proposed site.
Reviewer: Floyd B	Bartlett Date: 11/17/2005

Conditions of Approval/Application for Permit to Drill:

1. A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.

OPERATOR: ENDURING RESOURCES, LLC.

WELL NAME & NUMBER: Bonanza 12-30-9-25

API NUMBER: 43-047-37266

LEASE: ML-45560 FIELD/UNIT: Bonanza

LOCATION: 1/4,1/4 NW/SW sec: 30 TWP: 098 RNG: 25E 1980' FSL 875 FWL

LEGAL WELL SITING: 460 F SEC. LINE; 460 F 1/4,1/4 LINE; 920 F ANOTHER WELL.

GPS COORD (UTM): 657972 X 4429750 Y SURFACE OWNER: STATE OF UTAH

PARTICIPANTS

Floyd Bartlett (DOGM), Doug Hammond, (Enduring Resources), Ben Williams (UDWR), Mike Stewart (Enduring Resources Construction Supervisor), Ed Bonner (SITLA).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

The proposed Bonanza 12-30-9-25 well lies on a gentle sidehill sloping from a small ridge, which lies to the southwest. General topography in the area is rolling hills and swales with some higher knolls with sandstone outcrops. A power line and pipeline lie to the east of the location. Numerous gilsonite veins occur in the surrounding area.

The location is approximately 2 miles southeast of Bonanza, Utah, which is approximately 43 miles southeast of Vernal, Utah. Access is by State of Utah highways and Uintah County roads. A new road, 0.25 miles in length will be constructed to the location.

SURFACE USE PLAN

CURRENT SURFACE USE: Wildlife, winter grazing for domestic sheep and hunting.

PROPOSED SURFACE DISTURBANCE: <u>Construction of0.25 mile of new access road; a well pad 345'x 210' plus reserve pit and soil stockpile storage outside the described area.</u>

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: See attached map from $\underline{\text{GIS}}$ database.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: <u>All production</u> facilities will be on location and added after drilling well. Pipeline will follow access road to tie-in point.

SOURCE OF CONSTRUCTION MATERIAL: <u>All construction material will be borrowed from site during construction of location</u>.

ANCILLARY FACILITIES: None will be required.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS? EXPLAIN: Unlikely. Oilfield activity is common in the area and along with gilsonite mining is the dominant use.

WASTE MANAGEMENT PLAN:

Drilled cuttings will be settled into reserve pit. Liquids from pit will be allowed to evaporate. Formation water will be confined to storage tanks. Commercial contractor will handle sewage facilities, storage and disposal. Trash will be contained in trash baskets and hauled to an approved landfill.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: None

FLORA/FAUNA: Big sagebrush, cheat grass, rabbit brush, annual mustard, snake broomweed, sitanion hystrix; pronghorn antelope, rabbits, rodents, songbirds, raptors, elk, deer, bobcat, coyote.

SOIL TYPE AND CHARACTERISTICS: light brown deep sandy loam. Some surface rock present. A sandstone bedrock outcrop exists on the west side of the location.

EROSION/SEDIMENTATION/STABILITY: No drainage concerns exist. The reserve pit is entirely within a cut area. No stability problems are anticipated with the construction and operation of the location.

PALEONTOLOGICAL POTENTIAL: Surveyed by ICP, on 10-12-2005. Report submitted to SITLA.

RESERVE PIT

CHARACTERISTICS: 150' by 75' and 12' deep. The reserve pit is planned entirely within an area of cut. No stabilization problems are expected.

LINER REQUIREMENTS (Site Ranking Form attached): A liner will be required for reserve pit. Sensitivity score of 25, rating as Level I, Highly Sensitive. Operator said they would install a 16 mil. Liner with a ½" felt subliner.

SURFACE RESTORATION/RECLAMATION PLAN

AS	PER	SITLA.	

SURFACE AGREEMENT: AS PER SITLA.

CULTURAL RESOURCES/ARCHAEOLOGY: Site was inspected by MOAC Archeological Consultants on 10/18/2005. A report of this investigation will be placed on file.

OTHER OBSERVATIONS/COMMENTS

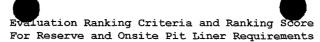
Ben Williams representing the UDWR, stated the area is classified as high value yearlong habitat for antelope and limited value yearlong habitat for deer. He did not recommend any restrictions to the operator.

ATTACHMENTS

Photos of site have been taken and placed on file.

Floyd Bartlett
DOGM REPRESENTATIVE

11/09/2005 11:15 AM DATE/TIME

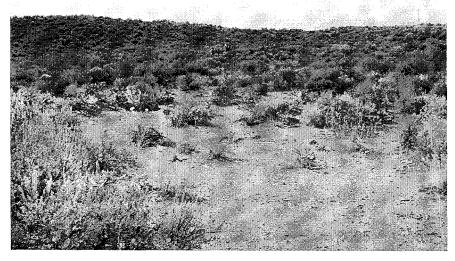


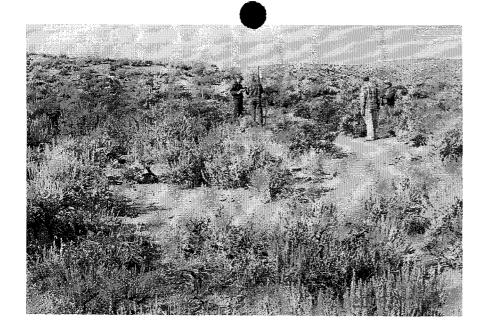
		4
Site-Specific Factors	Ranking	Site Ranking
Distance to Groundwater (feet)		
>200 100 to 200	0	
75 to 100	5 10	
25 to 75	15	
<25 or recharge area	20	
Distance to Surf. Water (feet)		
>1000 300 to 1000	0 2	
200 to 300	10	
100 to 200 < 100	15 20	0
100	20	0
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280 500 to 1320	5	
<500 to 1320 <500	10 20	0
Picture 1 all many		<u>~</u>
Distance to Other Wells (feet) >1320	0	
300 to 1320	10	
<300	20	0
Native Soil Type		
Low permeability	0	
Mod. permeability High permeability	10 20	20
		<u> </u>
Fluid Type Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000 TDS >10000 or Oil Base Mud Fluid	10 15	
containing significant levels of	13	
hazardous constituents	20	<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	0
Annual Precipitation (inches)		
<10 10 to 20	0 5	
>20	10	
Affected Populations		
<10	0	
10 to 30	6	
30 to 50 >50	8 10	0
Drogongo of Nearby It-11-4		
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown Present	10 15	2
11000HC	±J	0

Final Score 25 (Level I Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.
Sensitivity Level II = 15-19; lining is discretionary.
Sensitivity Level III = below 15; no specific lining is required.

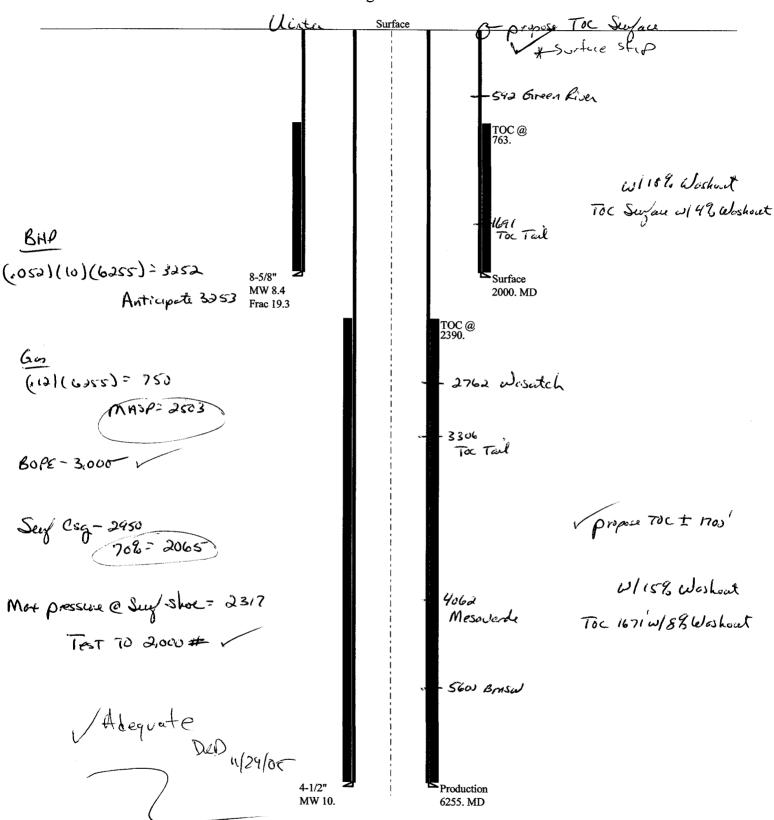






11-05 Enduring Bonanza 12-9-9-25

Casing Schematic



Well name:

11-05 Enduring Bonanza 12-30-9-25

Operator:

Enduring Resources, LLC

String type:

Surface

Project ID:

43-047-37266

Location:

Uintah County, Utah

Minimum design factors: **Environment:**

Collapse

Mud weight: Design is based on evacuated pipe.

Design parameters:

8.400 ppg

Collapse: Design factor

1.125

H2S considered?

Surface temperature: Bottom hole temperature:

65 °F 93 °F

No

Temperature gradient:

Non-directional string.

1.40 °F/100ft

Minimum section length:

299 ft

Burst:

Design factor

1.00

1.80 (J)

Cement top:

763 ft

Burst

Max anticipated surface

No backup mud specified.

pressure: Internal gradient:

Calculated BHP

520 psi

0.436 psi/ft 1,393 psi

Tension:

8 Round STC: 8 Round LTC:

1.80 (J) 1.60 (J) **Buttress:** Premium: 1.50 (J)

1.50 (B) Body yield:

Tension is based on air weight. Neutral point: 1,748 ft Re subsequent strings:

Next setting depth: Next mud weight: Next setting BHP:

6,255 ft 10.000 ppg 3,249 psi 19.250 ppg

Fracture mud wt: Fracture depth: Injection pressure

2,000 ft 2,000 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2000	8.625	24.00	J-55	ST&C	2000	2000	7.972	96.3
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load	Tension Strength	Tension Design
1	873	1370	1.570	1393	2950	2.12	(Kips) 48	(Kips) 244	Factor 5.08 J

Prepared

Clinton Dworshak

by: Utah Div. of Oil & Mining

Phone: (801) 538-5281 FAX: (801)359-3940

Date: November 28,2005 Salt Lake City, Utah

ENGINEERING STIPULATIONS -

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:

11-05 Enduring Bonanza 12-30-9-25

Operator:

Enduring Resources, LLC

String type:

Project ID:

Production

43-047-37266

Location:

Uintah County, Utah

Minimum design factors:

Environment:

Collapse

Mud weight:

Collapse: Design factor H2S considered?

No

Design parameters:

10.000 ppg

Design is based on evacuated pipe.

1.125

Surface temperature: 65 °F Bottom hole temperature: 153 °F

Temperature gradient:

1.40 °F/100ft

Minimum section length: 1,500 ft

Burst:

Design factor

1.00 Cement top: 2,390 ft

Burst

Max anticipated surface

No backup mud specified.

pressure:

520 psi

Internal gradient: Calculated BHP

0.436 psi/ft 3,249 psi

8 Round STC:

8 Round LTC:

Tension:

1.80 (J)

1.80 (J) 1.60 (J)

Buttress: Premium: Body yield:

1.50 (J) 1.50 (B)

Tension is based on air weight. Neutral point: 5,320 ft Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	6255	4.5	11.60	N-80	LT&C	6255	6255	3.875	145
Run	Collapse	Collapse	Collapse	Burst	Burst	Burst	Tension	Tension	Tension
Seq	Load (psi)	Strength (psi)	Design Factor	Load (psi)	Strength (psi)	Design Factor	Load (Kips)	Strength (Kips)	Design Factor
1	3249	6350	1.954	3249	7780	2.39	73	223	3.07 J

Prepared

Clinton Dworshak

Utah Div. of Oil & Mining by:

Phone: (801) 538-5281 FAX: (801)359-3940

Date: November 28,2005 Salt Lake City, Utah

ENGINEERING STIPULATIONS -

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

475 17th Street, Suite 1500 Denver, CO 80202 Office (303) 573-1222 Fax: (303) 573-0461





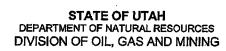
•	Week and the second sec	Pages, includir	ng this page.		
	• Comment	is			
	☐ Urgent	☐ For Review	□ Please Comment	☐ Please Reply	☐ Please Recycle
ke:	AP	PD - Bonanza 12	-30-9-25 e-ma	nii: arlian@endu	uringresources.com
hone:			Date	October 17	, 2005
ах:	80	1-359-3940	Pag		
O;	Dia	ana Whitney	From	n: Al Arlian 30	03-350-5114

- 1. I typed the lease number wrong on the Form 3 (2 copies being sent via mail). It should be ML 45560. See attached.
- 2. We filed the resignation and designation of unit operator on Oct-14-2005. I am mailing a copy for your files.

Al Arlian

RECEIVED OCT 1 8 2005

DIV. OF OIL, GAS & MINING

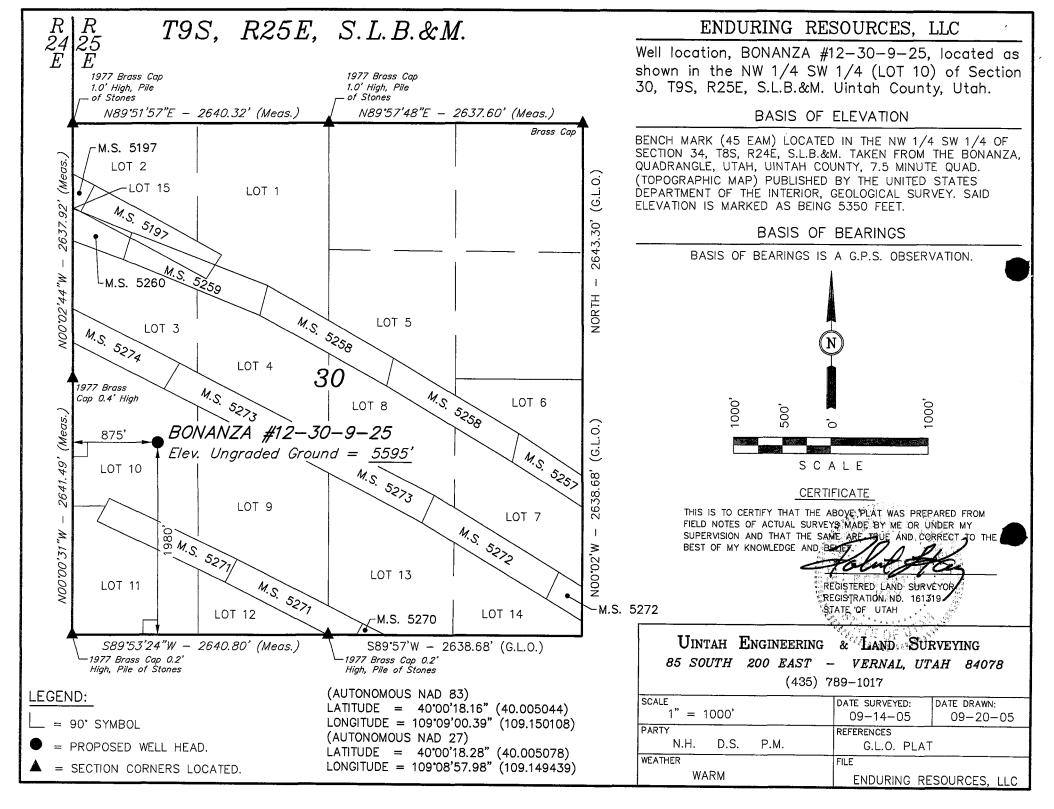


NG RESOURCES

FORM 3

AMENDED REPORT
(highlight changes)

							gint Citaliges)	
	· AP	PLICATION FO	R PERMIT T	O DRILL		5. MINERAL LEASE NO:	6. SURFACE: State	
1A. TYPE OF V	vork: DRIL	L 🛛 REENTER	☐ DEEPEN			7. IF INDIAN, ALLOTTEE O	R TRIBE NAME:	
B. TYPE OF W	ELL: OIL 🔲 G	AS 🗹 OTHER		NGLE ZONE Z MULTIPLE ZO	NE []	8. UNIT or CA AGREEMENT	T NAME:	
2. NAME OF O		, 10 Ed		TOLE ZONE IE MOLTH EL ZO		n/a		
	Resources, LLC					9. WELL NAME and NUMB: Bonanza 12-30-		
3. ADDRESS 0		ony Denver	CO 80	PHONE NUMBER:		10. FIELD AND POOL, OR		
	FWELL (FOOTAGES)		STATE CO ZIP 80			Undesignated 11. QTR/QTR, SECTION, TO	OWNSHIP RANGE	
AT SURFACE	. 1,980' FSL - 8	3/5' FWL	72X 40			MERIDIAN:		
AT PROPOSE	D PRODUCING ZONE:	Same 4429	7504 -1	09.149301		NWSW 30 95	S 25E S	
14. DISTANCE I	N MILES AND DIRECTIC	ON FROM NEAREST TOWN OR		•		12. COUNTY:		
	iles to Vernal, L		TOT OTTOE			Uintah	13. STATE: UTAH	
		Y OR LEASE LINE (FEET)	16. NUMBER C	OF ACRES IN LEASE:	17. NI	JMBER OF ACRES ASSIGNE	D TO THIS WELL:	
875'				640	1		40	
18, DISTANCE T APPLIED FO	O NEAREST WELL (DR	ILLING, COMPLETED, OR ET)	19. PROPOSEI	DEPTH:	20. BC	OND DESCRIPTION:		
1,200' +	•			6,255		B0008031		
	S (SHOW WHETHER OF	, RT, GR, ETC.):	. 1	ATE DATE WORK WILL START:		TIMATED DURATION:		
3396.6	R graded		12/15/20	JUO .	20) days		
24.		PROPO	OSED CASING A	ND CEMENTING PROGRAM				
SIZE OF HOLE	CASING SIZE, GRAI	DE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QU	ANTITY,	YIELD, AND SLURRY WEIGH		
20"	14" lin	ne pipe	40			/ards		
11"	8-5/8"	J-55 24# 2,000 Premium Lead		Premium Lead	130	3.50 3.50	0 11.1	
				Premium Tail	138	3 sxs 1.1	5 15.8	
7-7/8"	4-1/2" N-80 11.6#		6,255	Premium Lead	79	9 sxs 3.9		
			· · · · ·	Premium Tail) sxs 1.29		
		·;····				,,,,		
								
	!		<u> </u>					
25.			ATTA	CHMENTS				
VERIFY THE FOL	LOWING ARE ATTACHE	ED IN ACCORDANCE WITH TH	E UTAH OIL AND GAS CO	ONSERVATION GENERAL RULES:				
WELL PL	AT OR MAP PREPARED	BY LICENSED SURVEYOR OR	ENGINEED	COMPLETE DRILLING PLAN				
		ER RIGHTS APPROVAL FOR U	•	FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER				
A EAIDENC	e of division of wat	ER RIGHIS APPROVAL FOR (JSE OF WATER	L FORM 5, IF OPERATOR IS PE	RSDN OF	COMPANY OTHER THAN T	HE LEASE OWNER	
								
NAME (PLEASE)	PRINT) Alvin R. (A	N) Arlian		TITLE Landman - Re	gulato	ry Specialist		
SIGNATURE _				DATE 10/12/2005	<u> </u>			
This space for Star	le use only)							
						and the second of the second of the second		
ADINI MADED ACC	WAR 43-04	7-37266	•	ADDDOVAL.	•	RECEIV	FD	
** I HOWELL MOS	INSEL.		The same and the s	APPROVAL:	200	OCT 182	กกร	
			 	Approved by the	- Partie	001 10 Z	UUJ	
11/2001)			(See instruction	Utah Division of il, Gas and Mining	4	DIV. OF OIL, GAS 8	& MINING	



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office P.O. Box 45155 Salt Lake City, Utah 84145-0155

IN REPLY REFER TO: 3160 (UT-922)

October 20, 2005

Memorandum

To:

Assistant District Manager Minerals, Vernal District

From:

Michael Coulthard, Petroleum Engineer

Subject:

2005 Plan of Development Bonanza Unit, Uintah County,

Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following well is planned for calendar year 2005 within the Bonanza Unit, Uintah County, Utah.

API#

WELL NAME

LOCATION

(Proposed PZ Mesaverde)

43-047-37266 Bonanza 12-30-9-25 Sec 30 T09S R25E 1980 FSL 0875 FWL

Please be advised that the 12-30-9-25 is located approximately 400 feet from uncommitted patented gilsonite load claims in the Bonanza Unit area.

We have no objections to permitting the wells so long as the unit operator receives an exception to the locating and siting requirements of the State of Utah (R649-3-2).

/s/ Michael L. Coulthard

bcc:

File - Bonanza Unit

Division of Oil Gas and Mining

Central files Agr. Sec. Chron Fluid Chron

ENDURING RESOURCES, LLC

425 Seventeenth Street, Suite 1500 Denver, Colorado 80202

Telephone:

303-573-1222

Facsimile:

303-573-0461

October 18, 2005

State of Utah Division of Oil, Gas and Mining P.O. Box 145801 Salt Lake City, Utah 84114-5801

Attention:

Ms. Diana Whitney

RE:

Request for Exception Well Location

Bonanza 12-30-9-25 Well 1.980' FSL - 875' FWL Sec. 30, T9S-R25E, SLB&M

Uintah County, Utah

Dear Ms. Whitney:

Enduring Resources, LLC respectfully requests a spacing exception for the above-referenced well. The well was moved from the center of the forty-acre spacing.

The well is located at 1,980' FSL and 875' FWL of Section 30.

The location was moved due to topographic considerations and access.

Enduring Resources, LLC is the only lease owner within a 460' radius of the well stake.

Therefore, Enduring Resources, LLC hereby grants itself permission for the exception well location.

Should you have any questions concerning this matter, please do not hesitate to call 303-350-5114 (aarlian@enduringresources.com).

Very truly yours

ENDURING RESOURCES, LLC

Alvin R. (Al) Arlian

Landman - Regulatory Specialist

ara/

From:

Ed Bonner

To:

Whitney, Diana

Date:

11/18/2005 10:10:11 AM

Subject:

Well clearance

The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

Enduring Resources, LLC

Bonanza 5-20-9-25

Bonanza 13-20-9-25

Bonanza 5-30-9-25 /

Bonanza 6-30-9-25

Bonanza 11-30-9-25

Bonanza 12-30-9-25

The Houston Exploration Company Asphalt Wash 5-16-11-24 Asphalt Wash 11-16-11-24

If you have any questions regarding this matter please give me a call.

CC:

Garrison, LaVonne; Hill, Brad; Hunt, Gil



State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

November 29, 2005

Enduring Resources, LLC 475 17th St., Ste 1500 Denver, CO 80202

Re:

Bonanza 12-30-9-25 Well, 1980' FSL, 875' FWL, NW SW, Sec. 30,

T. 9 South, R. 25 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37266.

Sincerely,

Gil Hunt

Associate Director

pab

Enclosures

cc:

Uintah County Assessor

SITLA

Bureau of Land Management, Vernal District Office

Operator:	<u>Endurin</u>				
Well Name & Number	Bonanza				
API Number:	43-047-37266				
Lease:	ML-455				
Location: <u>NW SW</u>	Sec. 30	T. 9 South	R. 25 East		

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
- 5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

Page 2 43-047-37266 November 29, 2005

- 6. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.
- 7. Surface casing shall be cemented to the surface.

STATE OF UTAH

CONFIDENTIAL

FORM 9

DEPARTMENT OF NATURAL RESOURCES 5. LEASE DESIGNATION AND SERIAL NUMBER: DIVISION OF OIL, GAS AND MINING ML-45560 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: SUNDRY NOTICES AND REPORTS ON WELLS n/a 7. UNIT or CA AGREEMENT NAME: Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals ells below current bottom-hole depth, reenter plugged wells, or to n/a 8. WELL NAME and NUMBER: 1. TYPE OF WELL Bonanza 9-25-13-30 GAS WELL 🗸 OTHER OIL WELL 9. API NUMBER: 2. NAME OF OPERATOR: 4304737266 Enduring Resources, LLC 10. FIELD AND POOL, OR WILDCAT: PHONE NUMBER: 3. ADDRESS OF OPERATOR: Undesignated STATE CO (303) 350-5719 **80202** 475 17th Street, Suite 1500 Denver 4. LOCATION OF WELL COUNTY: Uintah FOOTAGES AT SURFACE: 1980' FSL - 875' FWL STATE: QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 30 25E **UTAH** CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 11. TYPE OF ACTION TYPE OF SUBMISSION REPERFORATE CURRENT FORMATION **ACIDIZE** \square NOTICE OF INTENT SIDETRACK TO REPAIR WELL FRACTURE TREAT ALTER CASING (Submit in Duplicate) TEMPORARILY ABANDON NEW CONSTRUCTION CASING REPAIR Approximate date work will start: TUBING REPAIR OPERATOR CHANGE CHANGE TO PREVIOUS PLANS 10/4/2006 VENT OR FLARE PLUG AND ABANDON **CHANGE TUBING** WATER DISPOSAL PLUG BACK SUBSEQUENT REPORT CHANGE WELL NAME (Submit Original Form Only) WATER SHUT-OFF PRODUCTION (START/RESUME) CHANGE WELL STATUS Date of work completion OTHER: Request for APD RECLAMATION OF WELL SITE COMMINGLE PRODUCING FORMATIONS Extension RECOMPLETE - DIFFERENT FORMATION CONVERT WELL TYPE DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Enduring Resources, LLC respectfully request an extension to the expiration date of this Application for Permit to Drill 11/29/2006 From: Approved by the 11/29/2007 To: **Utah Division of** Oll, Gas and Mining

(This space for State use only)

NAME (PLEASE PRINT)

SIGNATURE

Eyette Bissett

Bissett

RECEIVED NOV 1 6 2006

Regulatory Compliance Assistant

10/4/2006

Application for Permit to Drill Request for Permit Extension Validation

(this form should accompany the Sundry Notice requesting permit extension)

	4304737266 Bonanza 9-25-13-30						
Location:		L, NWSW, Sec 30, T9S-R25	5E				
		Enduring Resources, LLC					
Date Original	Permit Issued:	11/29/2005					
The undersign	ed as owner with verifies that the i		ne property as permitted d in the previously ot require revision.				
Following is a verified.	Following is a checklist of some items related to the application, which should be verified.						
If located on pagreement bee	rivate land, has then updated? Yes	ne ownership changed, □No□	if so, has the surface				
Have any wells the spacing or	s been drilled in t siting requiremer	he vicinity of the propos nts for this location? Ye	sed well which would affect s ☐ No ☑				
Has there bee permitting or o	Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes□No☑						
Have there be of-way, which	Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☑						
Has the appro	ved source of wa	ter for drilling changed	? Yes□No☑				
Have there be which will requevaluation? Ye	iire a change in p	changes to the surface plans from what was dis	location or access route cussed at the onsite				
Is bonding still	in place, which o	covers this proposed we	ell? Yes ☑No □				
Signature Signature	E Bissett	<u> </u>	10/4/2006 Date				
Title: Regulato	ry Compliance Assist	ant					
Representing:	Enduring Resource	es, LLC					
			RECEIVED				

RECEIVED NOV 1 6 2006

STATE OF WIAH S.

DIVISION OF OIL, GAS AND MINING								ML-45560		
SUNDRY NOTICES AND REPORTS ON WELLS							6. IF IN	IDIAN, ALLOTTEE OR TRIBE NAME:		
SOUDK! NOTICES AND REPORTS ON WILLES							n/a			
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.								7. UNIT OF CA AGREEMENT NAME:		
1. TYPE OF WELL OIL WELL GAS WELL OTHER									L NAME and NUMBER:	
2. NAME OF OPERATOR:									anza 9-25-13-30 NUMBER:	
	iduring Resources, LLC		,						4737266	
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202 PHONE NUMBER: (303) 350-5719									LD AND POOL, OR WILDCAT:	
	5 17th Street, Suite 1500 CIT	, De	nver STATE	CO ZIP	002	.02	(303) 350-5719	Unic	designated	
	DOTAGES AT SURFACE: 1980	FSL	- 875' FWL					COUN	ry: Uintah	
Q	TR/QTR, SECTION, TOWNSHIP, RAN	GE, M	eridian: NWSW 30	98 2	5E	S		STATE:		
								-,	UTAH	
11.		ROP	RIATE BOXES TO	INDICAT	ΕN			PRT, O	R OTHER DATA	
	TYPE OF SUBMISSION	 			_		YPE OF ACTION		· · · · · · · · · · · · · · · · · · ·	
1	NOTICE OF INTENT		ACIDIZE		빌	DEEPEN		닐	REPERFORATE CURRENT FORMATION	
	(Submit in Duplicate)	出	ALTER CASING		닏	FRACTURE		닏	SIDETRACK TO REPAIR WELL	
	Approximate date work will start:	쁘	CASING REPAIR		닏	NEW CONS		TEMPORARILY ABANDON		
			CHANGE TO PREVIOUS PLA	ANS	빌	OPERATOR		빌	TUBING REPAIR	
	OUDOFOLIENT DEDODT	쁘	CHANGE TUBING		닏	PLUG AND		닏	VENT OR FLARE	
لبيا	SUBSEQUENT REPORT (Submit Original Form Only)	片	CHANGE WELL NAME			PLUG BACK			WATER DISPOSAL	
	Date of work completion:	H	CHANGE WELL STATUS				ON (START/RESUME)		WATER SHUT-OFF	
		H	COMMINGLE PRODUCING F	FORMATIONS			ION OF WELL SITE	∠	отнея: Request for APD Extension	
		لبار	CONVERT WELL TYPE	·		RECOMPLE	TE - DIFFERENT FORMATION			
12.	DESCRIBE PROPOSED OR CO	OMPL	ETED OPERATIONS. Clea	arly show all p	ertine	ent details in	cluding dates, depths, volur	nes, etc.		
	Enduring Resources, I	LLC	respectfully reques	t an exte	nsio	n to the e	xpiration date of th	s Appli	cation for Permit to Drill	
							•	• •		
	Erom: 11/9	า/วก	07			Ann	royed by the			
	From: 11/20/2007 To: 11/20/2008 Approved by the Utah Division of Oil, Gas and Mining						h Division of			
							as and Mining			
						On, C	0			
						. 1	22			
					D	ate: 🛝	e 10-44	+-		
						\mathcal{D}	Moin	V		
					E	by:	Diegothan			
	∞						71			
	NAME (PLEASE PRINT) Alvin R. (Al) Arlian TITLE Landman - Regulatory Specialist									
NAM	IE (PLEASE PRINT)	<u>-,,,</u>				тіті			- F	
SIGN	NATURE	500				DAT	11/16/2007			
·					_					
This s	pace for State use only)									

(5/2000)

Initials

RECEIVED NOV 1 9 2007



Validation (this form should accompany the Sundry Notice requesting permit extension)

API:

4304737266

Location: 1980' FSL - 875' FWL, NWSW, Sec 30, T9S-R25E Company Permit Issued to: Enduring Resources, LLC Date Original Permit Issued: 11/29/2005						
The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.						
Following is a checklist of some items related to the application, which should be verified.						
f located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes□No□						
Have any wells been drilled in the vicinity of the proposed well which would affecthe spacing or siting requirements for this location? Yes ☐ No ☑						
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes□No☑						
Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes□No ☑						
Has the approved source of water for drilling changed? Yes⊡No☑						
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes□No☑						
s bonding still in place, which covers this proposed well? Yes ☑No ☐						
11/12/2007						
Signature Date						
Fitle: Landman - Regulatory Specialist						
Representing: Enduring Resources, LLC						

RECEIVED NOV 1 9 2007



Governor

GARY R. HERBERT

Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

November 25, 2008

Al Arlian Enduring Resources LLC 475 17TH Street, Suite 1500 Denver, CO 80202

Re:

APD Rescinded - Bonanza 12-30-9-25, Sec. 30, T.9S, R.25E -

Uintah County, Utah, API No. 43-047-37266

Dear Mr. Arlian:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on November 29, 2005. On November 20, 2006 and on November 20, 2007, the Division granted a one-year APD extension.

No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective November 20, 2008.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Masor

Environmental Scientist

cc:

Well File

SITLA, Ed Bonner

Bureau of Land Management, Vernal

